

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C. 20436

In the Matter of

CERTAIN DIGITAL SATELLITE SYSTEM (DSS) RECEIVERS AND COMPONENTS THEREOF

Inv. No. 337-TA-392

MAY 13 P 3:45 '66.

**NOTICE OF COMMISSION DECISION TO TERMINATE THE INVESTIGATION AND
TO VACATE PORTIONS OF INITIAL DETERMINATION**

AGENCY: U.S. International Trade Commission

ACTION: Notice

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to grant complainant's motion to terminate the investigation, to grant complainant's motion to vacate the final initial determination (ID) of the presiding administrative law judge (ALJ) on the issues of invalidity for anticipation and for lack of enablement, and to deny the motion to vacate in all other respects.

FOR FURTHER INFORMATION CONTACT: John A. Wasleff, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202-205-3094. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-205-1810. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>).

SUPPLEMENTAL INFORMATION:

This investigation was instituted on December 18, 1996, based on a complaint filed by Personalized Media Communications, LLC (PMC). 61 Fed. Reg. 66695-96. The respondents are DirectTV, Inc., United Satellite Broadcasting Co., Hughes Network Systems, Hitachi Home Electronics (America), Inc., Thomson Consumer Electronics, Inc., Toshiba America Consumer Products, Inc., and Matsushita Electric Corporation of America. The complaint alleges, *inter alia*, that respondents engaged in unlawful activities in violation of section 337 through the unlicensed importation and sale of goods infringing claim 1-7 of U.S. Letters Patent 5,335,277.

On October 20, 1997, the presiding ALJ issued a final ID in which he concluded that the asserted claims were invalid as indefinite under 35 U.S.C. § 112 ¶2, that the asserted claims were invalid as not enabled under 35 U.S.C. § 112 ¶1, that claim 7 is invalid as anticipated under 35 U.S.C. § 102, and that no asserted claim was infringed. The Commission adopted the ALJ's claim

constructions, his finding of invalidity for indefiniteness, and his finding of no infringement, but took no position on the other invalidity findings.

The Commission's determination was appealed to the U.S. Court of Appeals for the Federal Circuit, and on November 24, 1998, the Federal Circuit issued its opinion on appeal. The Court's mandate issued on February 26, 1999. The Court upheld the Commission as to three of the four claims at issue on appeal. The Court reversed the Commission with respect to its determination that claim 7 of U.S. Letters Patent 5,335,277 is invalid for indefiniteness. The Court also vacated the Commission's determination that claim 7 is not infringed by the accused devices and remanded for further consideration by the Commission.

On March 26, 1999, complainant PMC filed a motion to terminate the investigation and vacate the ID. On April 5, 1999, several respondents filed a brief in opposition, in which the balance of the respondents joined. The Commission's Office of Unfair Import Investigations filed a response on April 7, 1999.

The Commission determined to grant the complainant's motion to terminate the investigation. The Commission further determined to grant complainant's motion to vacate the ID, but only with respect to the findings of invalidity for anticipation and lack of enablement, as to which findings the Commission took no position. The Commission determined to deny the motion to vacate in all other respects.

This action is taken under the authority of the Administrative Procedure Act (5 U.S.C. § 500 *et. seq.*), section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337), and section 210.41 of the Commission's Rules of Practice and Procedure (19 C.F.R. § 210.41).

Copies of the Commission's order and all other nonconfidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone 202-205-2000.

By order of the Commission.



Donna R. Koehnke
Secretary

Issued: May 13, 1999

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C. 20436

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SYSTEM (DSS) RECEIVERS AND
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ORDER

This investigation was instituted on December 18, 1996, based on a complaint filed by Personalized Media Communications, LLC (PMC). 61 Fed. Reg. 66695-96. The respondents are DirectTV, Inc., United Satellite Broadcasting Co., Hughes Network Systems, Hitachi Home Electronics (America), Inc., Thomson Consumer Electronics, Inc., Toshiba America Consumer Products, Inc., and Matsushita Electric Corporation of America. The complaint alleges, *inter alia*, that the respondents engaged in unlawful activities in violation of section 337 through the unlicensed importation and sale of goods infringing claim 1-7 of U.S. Letters Patent 5,335,277.

On October 20, 1997, the presiding administrative law judge (ALJ) issued a final initial determination (ID) in which he concluded that the asserted claims were invalid as indefinite under 35 U.S.C. § 112 ¶2, that the asserted claims were invalid as not enabled under 35 U.S.C. § 112 ¶1, that claim 7 is invalid as anticipated under 35 U.S.C. § 102, and that no asserted claim was infringed. The Commission adopted the ALJ's claim constructions, his finding of invalidity for indefiniteness, and

his finding of no infringement, but took no position on the other invalidity findings.¹

The Commission's determination was appealed to the U.S. Court of Appeals for the Federal Circuit, and on November 24, 1998, the Federal Circuit issued its opinion on appeal. The Court's mandate issued on February 26, 1999. The Court reversed the Commission with respect to its determination that claim 7 of U.S. Letters Patent 5,335,277 is invalid for indefiniteness. The Court also vacated the Commission's determination that claim 7 is not infringed by the accused devices and remanded the investigation to the Commission for further consideration of the issue of infringement of claim 7 by the Commission.

On March 26, 1999, complainant PMC filed a motion to terminate the investigation and vacate the ID. On April 5, several respondents filed a brief in opposition, in which the rest of the respondents joined. The Office of Unfair Import Investigations filed its response on April 7.

The Commission has determined to grant the motion to terminate the investigation. The Commission has further determined to deny the motion to vacate with respect to those findings in the ID that were affirmed by the Federal Circuit. The Commission has determined to grant the motion to vacate, however, with respect to the ALJ's findings of invalidity for anticipation and lack of enablement, as to which the Commission

¹ See *Beloit Corp. v. Valmet OY*, 742 F.2d 1421, 1423 (Fed. Cir. 1984) (Commission may at its discretion review only certain dispositive issues resolved in the ID).

has taken no position.

Accordingly, it is hereby ORDERED THAT:

1. This investigation is terminated.
2. The motion to vacate the ID is granted as to the findings that the claims of U.S. Letters Patent 5,335,277 at issue are invalid for anticipation and for lack of enablement.
3. The motion to vacate the ID is denied in all other respects.
4. The Secretary shall serve copies of this Order on the parties of record, and publish notice thereof in the Federal Register.

By order of the Commission.



Donna R. Koehnke
Secretary

Issued: May 13, 1999

CERTAIN DIGITAL SATELITE SYSTEMS
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PUBLIC CERTIFICATE OF SERVICE

I, Donna R. Koehnke, hereby certify that the attached NOTICE OF COMMISSION DECISION TO TERMINATE THE INVESTIGATION AND TO VACATE PORTIONS OF INITIAL DETERMINATION was served upon the following parties via first class mail, and air mail where necessary, on May 14, 1999.

Donna R. Koehnke

Donna R. Koehnke, Secretary
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